

**Access to Microfinance & Improved Implementation of Policy Reform  
(AMIR Program)**

**Funded By U.S. Agency for International Development**

**Jordan Capital Markets**

**Public Relations Technical Assistance  
For JSC, SDC and ASE**

Final Report

**Deliverable for Capital Markets Component**

**Task No.: 5.5.12**

**Public Relations JSC, SDC, ASE and International Investors Conference**

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*This report was prepared by Deirdre Kline, in collaboration with Chemonics International Inc., prime contractor to the U.S. Agency for International Development for the AMIR Program in Jordan.*

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## ***Public Relations Work Plan for 2001***

The consultation with the Capital Markets component of the AMIR Program, (February 12-March 23, 2001) consisted of working with the Amman Stock Exchange (ASE), Jordan Security Commission (JSC) and the Security Depository Center (SDC) to help establish public relations offices for each entity. The AMIR Program accomplished this goal by working with the appointed public relations officer from each unit; Taroub Daoud with the JSC, Amjad Al-Qudah with the ASE and Lana Gharaibeh and Kifaya Hwaidi with the SDC. For the ASE and SDC, the AMIR Program continued to assist them by working on the basics of a public relations office. This included working on writing press releases, creating easy to understand documents about each entity and looking at different ways to approach the media. The end result of this created fully functioning public relations offices that could work to educate the public on Jordan's capital market. The AMIR Program worked with the JSC on a public relations campaign to appear in the three largest newspapers in Jordan. The series of ads will educate Jordanians on the basics of the Capital Market.

In the following report, you will find the assigned tasks and the deliverables. The deliverables are divided into five main categories:

1. Public Relations Work Plan for the Capital Market Component of AMIR
2. Press Releases and Media Kits
3. Jordan Securities Commission Awareness Campaign
4. JTV's "Economy Show"
5. Work Plan for Writing Workshop

*I. Develop coordinated public awareness and investor education strategy, including a working plan for the year with specific tasks, LOE, consultant and timing.*

A work plan for the public awareness campaign and investor education series was completed. It included the work needed for the International Investors Conference, as well as the launching of the Securities Depository Center. Although, it does not include the little things that arise everyday that need public relation assistance. It touches on the larger projects for this year.

*II. Public relations mentoring and continuing education for the JSC, ASE and SDC*

The primary objective for the ASE and the SDC was to establish working public/community relations' offices. This is essential to any public awareness campaign, since you can reach most Jordanians through the media. To accomplish this goal the AMIR Program worked with each office to create documents that would help define their functions in a simple manner, which can be used in future public relations/public awareness activities. They also made sure the PR officers were comfortable in writing releases and dealing with the media, since this is the basis of getting your message out to the public. In addition, it is essential that the officers are able to come up with new ideas on stories to pitch to the media.

The AMIR Program worked with the press officers for the ASE, JSC and SDC to produce several press releases that generated articles in local publications. In addition we also worked with Jordan TV to create easy to understand stories about Jordan's Capital Market. In part of this effort I worked to come up with ideas for the new "Economy Show" that will air on Jordan TV.

Some of the ways this was accomplished was by training the ASE's Public Relations Officer on writing a release, talking in sound bites and getting your message across. This is important since Mr. Al-Qudah will be the primary spokesperson for the ASE in the future; he should know what the media is looking for when they cover a story. To put his training to the test, JTV interviewed Mr. Amjad Al-Qudah from the Stock Exchange on his tips for investing in the Stock Market; this interview will be used on the new "Economy Show."

The ASE also created and followed a Public Relations Plan for their 2<sup>nd</sup> Anniversary to garner media attention.

The AMIR Program also assisted the JSC by working with them on investor education, by creating a series of ads for to be used in the most popular newspapers; *Al'Rai*, *Ad-Dustour* and *Jordan Times*. This series of ads will be simple, but educational in delivering their message through the press. To kick off the ads the AMIR Program worked with The JSC Chairman to write an article on the importance of educating Jordanians on the Capital Market and the role the ads will play in that endeavor.

The SDC also worked on a plan to reach out to the community and inform them about the SDC. They did this by creating elements of a press kit and sent out a release about the role that software vendors will play as the SDC continues its evolution. In addition, Securities Depository Center's CEO asked to start making speeches at local universities and business organizations.

We also met with reporters from *Dubai Business Channel*, *Jordan Times* and *Ar'Rai* daily paper, about the coverage they are giving to the Capital Markets. This meeting was to discuss how they received information and any changes that the press officers from the capital markets should be making when pitching them.

### III. *Provide assistance for further development of press and media kits to be used for the JSC, ASE and SDC.*

The first step to accomplish this goal was to assist in designing folders to contain the materials. The JSC already has a folder, but the ASE and SDC created designs to represent their institutions in a professional manner.

They also created a one sheet that easily describes the institution and what it does in a simple approach. In addition, the SDC wrote a biography of its CEO and the ASE created a list of milestones that can be used in the press kits.

Once you have the materials at your fingertips the PR officers it made it much easier to use these tools to create stories in the local media. An example of this is when we tailored the ASE's regular press kit to celebrate their 2<sup>nd</sup> Anniversary.

IV. *Assist Jordan TV and ECI Executive Producer with investor education message development for television programs and special features.*

The Capital Markets component of the AMIR Program worked with Jordan TV to create easy to understand stories about Jordan's Capital Market. As part of this effort, ideas were created for the new "Economy Show" that will air on Jordan TV. These were ideas for stories that the "Economy Show" could cover in-depth, along with quick takes on the economic news in Jordan. The AMIR Program also set up interviews with leaders from around the financial community to give "Investor Tips" to viewers of the program.

In addition, the AMIR Program worked with each of the capital market institutions to create questions designed to educate the public on the JSC, SDC and ASE. These questions will be used for the money quizzes on JTV's evening news in both Arabic and English.

V. *Plan intermediate writing workshop for the JSC, ASE and SDC.*

At the request of the capital market entities, the intermediate writing workshop has been postponed to a later date.

In terms of future plans, we feel that the capital markets group has already made public relations inroads by the establishment press offices in each of the three entities it assists. This can be augmented next year by maintaining and building on the public relations efforts already begun and taking advantage of the opportunities that lay ahead.

**The following is a detailed list of deliverables.**

- The ASE celebrated its 2<sup>nd</sup> Anniversary. To prepare for the event the AMIR Program and the ASE created a **Public Relations Plan** that would be a guide for the media campaign. **A copy of the document is attached.**
- Wrote a **press release** about the 2<sup>nd</sup> Anniversary, highlighting the positive aspects of the past 2 years and looked ahead to the future. **A copy of the document is attached.**
- A copy of the **newspaper article on the ASE's 2<sup>nd</sup> Anniversary** is attached.
- Created a **list of Milestones** for the ASE, that is used in the press kits and put on their website. **A copy of the document is attached.**
- Completed **one-sheet that explains what the ASE is** and how it can help people. These are documents that are easy to understand and can be used as a basis of

press releases and all future documents distributed from the ASE. This can be used as an educational tool in the future. **A copy of the document is attached**

- Worked with the ASE to **design a folder**. This folder can be used when distributing all materials and allows the ASE to present its materials in a professional manner.
- Put together a **press kit** using the documents created above and send it out to the media.
- Created questions designed to educate the public on the JSC, SDC and ASE to be used for the **money quizzes on JTV**. **A copy of the questions is attached**
- Looking into the possibility of a university appearance by Samir Jaradat to educate students on the capital market, what it means to them and answer their questions. **Attached find a copy of the letter sent to University of Jordan.**
- Wrote a **press release** on the SDC's call to software vendors to change their software to work with the SDC's new EFA System. **A copy of the press release is attached.**
- Also find the **newspaper article that mentions the SDC and the software vendors** attached.
- Completed **one-sheet that explains what the SDC is** and how it can benefit Jordanians. These are documents that are easy to understand and can be used as a basis of press releases and all future documents distributed from the SDC. This can be used as an educational tool in the future. **A copy is attached.**
- Wrote a **prototype for the series of educational ads** that will be used in the three national newspapers. **Attached find the documents.**
- **Created an editorial** that the JSC Chairman would put in the papers on the first day of the series of ads. **Attached find the document.**
- In addition, the AMIR Program also worked with Jordan TV to create easy to understand stories about Jordan's Capital Market and help them. As part of this effort, **ideas were created for the new "Economy Show"** that will air on Jordan TV. **Attached find the document.**
- **Wrote a memo, in conjunction with the AMIR Program Capital Markets Component Leader, from the JSC Chairman to H.M. King Abdullah, II** about the work that the AMIR Program and the Jordan Securities Commission has done in the past 18 months. **Attached find the memo.**

- **Wrote a press release** on AMIR Program's presentation to [INT@J](#), presented by Russell Diehl, on how to write a business plan. **A copy of the release is attached.**
- **Attached find the newspaper article on the Business Plan presentation.**
- **Work plan for 2001 public awareness campaign**
- **Assisted in garnering press attention** to the broker certification ceremony. **Attached find the newspaper article.**

## Public Relations Plan AMIR Program Capital Markets Component 2001

After this Scope of Work is completed I would suggest the following public relations recommendations for this year.

**Jordan Securities Commission Educational Ad Campaign-**This would be a comprehensive advertising campaign that would run in the three most widely read newspapers in Jordan. It would reach out to the Jordanians who are not familiar with the Stock Exchange and what it does. Its goal would be to take the mystery out of trading on the Stock Exchange and let investors know their rights. I would create all of the ads and with the approval of the JSC's Commissioners oversee the implementation in the newspapers. (25 days-2<sup>nd</sup> Quarter)

**Securities Depository Center 2<sup>nd</sup> Anniversary-**The SDC's Second Anniversary falls on May 11, 2001. This is an excellent opportunity to publicize what the SDC does and how it helps people. We would put together a public relations plan and press kit to send out to the media. The campaign would encompass educating people regionally about the SDC and announcing to an international audience that Jordan is growing and actually has a depository. (15 days-2<sup>nd</sup> Quarter)

**Launching of the Securities Depository Center's Clearing and Settlement System-**This is a huge step for the SDC and actually makes them a functioning depository on par with international standards. They hope to garner a lot of attention with this launching and are asking His Majesty King Abdullah, II to come for the induction. This is very important for international investors to be aware of this step the SDC has undertaken, so I would focus on the international media for this public relations campaign. (20 days-2<sup>nd</sup> or 3<sup>rd</sup> Quarter)

**General Assembly Meetings for the ASE and SDC-**Both the ASE and SDC will be holding their General Assembly meetings. This is the time they will review their budgets and had out their annual reports. This would require sending out a few press releases for each event. (6 days-2<sup>nd</sup> Quarter)

**International Investors Conference-**This is by far the largest undertaking of this year, for both the JSC and the Capital Markets Component of AMIR. It is important to get a significant amount of international media attention, both before the conference, as well as after. This would include creating a comprehensive public relations plan, publishing brochures, writing and distributing about 20 press releases. It would also entail creating an international investors conference press kit, a video news release and CD-ROM to sent out to the press. In addition to that, we would be able to plan public relation events that would draw attention to the conference, when members of Jordan's financial community are traveling internationally. Depending on the level of effort requested, it would be a good idea to have a pr official traveling with the members of the JSC when they travel abroad for financial road shows. (30 days-2<sup>nd</sup> Quarter, 30 days-3<sup>rd</sup> Quarter, 60 days-4<sup>th</sup> Quarter)

**Assistance with Jordan TV**-There will be a need for continued assistance in coordinating between the capital market institutions and JTV. JTV is in the learning stages of how to cover a story and who to contact when they want to report on the capital market. (This would be part of another trip)

**Maintenance of the Public Relations Offices**-This would require less time than in the past, but it is important to check in with each office to make sure they are continuing to use the public relations skill already taught to them. It would also make sure that they do not slip back bad habits. (10 days-2<sup>nd</sup> Quarter, 10 days-3<sup>rd</sup> Quarter, 10 days-4<sup>th</sup> Quarter).

## ***Press Releases and Media Kits***

# Public Relations Plan

## Amman Stock Exchange 2<sup>nd</sup> Anniversary

March 11, 2001

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## **Objectives**

- To generate publicity and interest in the Amman Stock Exchange (ASE) nationally and in the region
- To educate Jordanians on what the ASE does and how they can use it. It is also important to get the message across about its plans for the future
- To garner attention for the ASE internationally, so that investors from around the world know the strides the ASE has made in the last 2 years and how it compares to other markets.

## **Audience**

- Jordanians who are unfamiliar with the ASE. Even though the Stock Exchange has been in place for the last 2 years, many people do not know what it is. This is one of the biggest obstacles facing the ASE and one we should concentrate on with this campaign.
- Potential investors from the international financial community, the ASE is looking to attract international investors as well as Jordanians, so this is a positive step to let them know a little about the ASE.

## **Press Kit Inserts**

- A pitch letter suggesting the angle we want to push for each publication. This will help us steer the reporter in the direction we hope the article will take.
- Press release about the 2<sup>nd</sup> Anniversary of the Amman Stock Exchange
- One Page explanation of the Amman Stock Exchange
- A list of the ASE's Milestones, so it is easy for the reporter to see the ASE's accomplishments in the last 2 years
- Facts and Figures sheet, giving reporters relevant and maybe even some fun information on the ASE
- One page that shows the role of the Amman Stock Exchange in the financial community
- Biography of Jalil Tarif, CEO of the Amman Stock Exchange

**Electronic Pitches**

Since the ASE has decided not to put anyone out in the media for interviews, we will aim for a mention about the anniversary on national and regional television shows. Including:

- Associated Press Broadcast Services
- AFP
- Arab News Network (ANN)
- BBC World Television and Radio
- Dubai TV
- Jazeera TV
- Jordan TV-both News and Business Shows
- Lebanese TV (LBC)
- Middle East TV (MBC)
- Reuters Television

**Regional Print Pitches**

- Since we have missed the deadline for magazines, I suggest we put all of our efforts into daily newspapers.
- Send out a press kit to the financial reporters of all of the regional papers. Pitching that they write a story on the history of the ASE and looking ahead to the future
- Put special emphasis on pitching educational stories to the reporters of the Jordan papers.

**International Print Media**

- There are two areas that we should concentrate our efforts when pitching the international media. With the abbreviated time frame I feel we should concentrate on publications that already have an interest in the activities of the ASE. The first group are publications that cover the Middle East and emerging markets. Including:

- Al-Arab
  - Business Middle East
  - Emerging Markets Magazine (they have closed for March, but may put it in a later issue)
  - Emerging Markets Monitor
  - Emerging Markets Investor
  - Emerging Markets Week
  - Global Custodian
  - Middle East Economic Digest
  - Middle East News Agency
- 
- The second type of publications that I would concentrate on are the weekly financial magazines and financial papers.
    - Barron's The Dow Jones Business and Financial Weekly
    - Bloomberg News
    - Business Week
    - Dow Jones News Service
    - The Economist
    - Economla Exterior
    - Euroweek
    - Financial Times
    - Forbes Global Magazine
    - Global Finance
    - Global Investing
    - Global Investment Monitor
    - International Herald Tribune
    - Market News Service
    - Milano Finanza
    - Vida Economica
    - Wall Street Journal

### **Web Site Information**

We will put the press release on the ASE's web site and possibly an announcement on the site the week of the anniversary also telling people how they can find out more information on the ASE. Possibly adding to the General Information or Publications section of the web site all the material that will be in the press kit.

### **Advertisements**

I suggest we place a half page ad in Al'Rai (at least) congratulating the ASE on their second anniversary. The approximate cost of this is JD200.

### **Cross Promotion**

We could ask the SDC and JSC to add something to their web sites, acknowledging the ASE's 2<sup>nd</sup> Anniversary.

For Release: March 11, 2001

## **Amman Stock Exchange Celebrates 2<sup>nd</sup> Anniversary**

In accordance with the Securities Law No. (23) of 1997, the Jordan Securities Commission (JSC) was entrusted with the task of restructuring and developing Jordan's Capital Market. Ever since March 11, 1999, the ASE has been working as a non-profit private institution that enjoys administrative and financial autonomy. They are also the sole party authorized to practice as an official market for trading securities in Jordan. In those short two years, the ASE has established their rules and regulations as well as technology to improve Jordan's Stock Market and become compatible to international standards.

In the beginning, the ASE's newly appointed Board of Directors, headed by Dr. Abder-Rahman S. Toukan, were undaunted by this enormous task of developing the Stock Exchange. The initial step they took was to write the regulations that would ultimately govern the ASE. So they immediately began establishing the trading rules that guide the Stock Exchange, they also issued internal instructions for the listing and trading of shares of public shareholding companies. A Code of Ethics was established and rules over any one involved with trading on the ASE. In its supervisory role of the ASE, the Jordan Securities Commission was key in enacting and the enforcement of these standards.

"It was important to have laws compatible with international standards as a solid foundation of the new Stock Exchange, before any other aspect was finalized. These rules and regulations and their enforcement are bound to create an outline of what we hoped to achieve; a modern, safer, more transparent and effective Stock Exchange. And I am proud to say that in the last two years we have done just that," stated Dr. Bassam Saket, Chairman of the JSC.

In addition the ASE looked to other regional and international institutions to assist in guiding them to work within the growing global economy. In the first months the ASE joined the Union of Arab Stock Exchanges and Securities Commissions, the International Federation of Stock Exchanges as well as the Federation of the Euro-Asian Stock Exchanges. Today the ASE is an active member in these organizations, in addition to the NSC/UNIX forum.

"Together with the Jordan Securities Commission, we essentially were starting from scratch to build a new Stock Exchange for Jordan. There were times when it seemed arduous, but we prevailed and made the ASE stronger in the last 2 years," said Jalil Tarif, CEO of the ASE since its inception.

The accomplishments achieved have not just included written ones; there have also been technical advances as well. Just this past year, the Amman Stock Exchange went from manual trading to electronic trading, reducing the risk of human error. They have also

implemented remote trading, which allows brokers to trade from their offices, making brokers more accessible to their clients.

The ASE also worked towards the dissemination of information, so that anyone interested in the Stock Exchange can find out what they need by just turning on their computer. At [www.ase.com.jo](http://www.ase.com.jo) any person from around the world can log on and check their investment with the real-time stock ticker. In addition, investors also find market information at other data vendors, such as reuters.com and bloomberg.com. Brokers are also able to receive all the information they need through the ASE's intranet, making paper documents virtually obsolete.

“Our goal is to achieve a marketplace environment that Jordanians are comfortable with, we want them to know everything there is about the ASE. We also want anyone who trades on the Stock Exchange to feel confident that their transaction is safe from tampering,” stated Tarif.

They were essentially creating a market that is more approachable for the investor; the ASE has made changes in the past two years to attract companies to be listed with them. The biggest change occurred when the Exchange created three markets within the ASE. These three markets are actually three different levels for companies to trade under. The first market is the most difficult for companies to trade within. Only companies that adhere to the strictest set of requirements are allowed to trade in the first market. Permitting companies to trade on the ASE while waiting to accomplish all that is needed to move up to the first market can compare the second market to a waiting room. Lastly, there is the third market. This was created to attract start up companies, like those in the IT sector, and has the least amount of restrictions. However, the third market is the most likely place to find a diamond in the rough, by tempering the greatest risk by the possibility of the greatest reward.

As the ASE looks ahead to the next two years, they will continue on the path of strengthening and consolidating a safe, fair and efficient trading environment. One of the biggest projects in the near future will allow brokers from around Jordan and around the world to be able to make transactions on the Stock Exchange. They are also working on a business plan that will help attract potential investors and the ASE hopes to play a larger role in the privatization process, creating more depth and liquidity in the market. They are also looking to attract more IT companies, but making it easier for them to trade on the Stock Exchange.

For more information on the Amman Stock Exchange you can check out their website at [www.ase.com.jo](http://www.ase.com.jo).

**Additional Facts and Figures about the Amman Stock Exchange**

Number of Listed Companies	163	
Market Capitalization (JD billion)	3.57	(January 2001)
Average Daily Trading (JD million)	1.3	(January 2001)
Number of Traded Shares (million)	21.6	(January 2001)
Number of Transactions (thousands)	16.7	(January 2001)

Contact:

Amjad Al-Qudah      566-4109

## **Amman Stock Exchange (ASE) Events Calendar**

February 13, 2001	The ASE participates in the NSC/UNIX forum, ASE CEO Jalil Tarif is appointed Chairman of the Committee.
February 1, 2001	Establishes the Directives for the Financial Brokers Guarantee Fund.
January 1, 2001	The ASE begins enforcing the Instructions for Sale of Securities by Public Auction
November 5, 2000	The ASE and Atlas Investment Group co-sponsor The Euromoney training seminar.
October 12, 2000	ASE participates in the NSC-UNIX conference.
October 2, 2000	The ASE begins using the Intranet to supply information and correspondence between licensed brokers and ASE staff.
October 1, 2000	ASE begins to implement remote trading, by allowing licensed brokers to trade from their offices.
September 21, 2000	ASE website (www.ase.com.jo) starts posting share prices and trading reports.
September 13, 2000	ASE attends the 6 <sup>th</sup> Annual Meeting of the General Assembly of the Federal Euro-Asian Stock Exchanges.
September 1, 2000	ASE begins implementing its Internal By-Laws for Disputes Settlement, which was created to resolve disputes between ASE members or problems with their clients.
August 29, 2000	Inauguration of the electronic trading system, under the Patronage of His Majesty King Abdullah II.
July 31, 2000	ASE participated in the Middle East Conference for Linking Global Markets hosted by NASDAQ.
June 15, 2000	The final 100 public shareholding companies are listed on the ASE were moved to the electronic trading system, therefore ending all manual trading on the ASE.
June 15, 2000	The ASE is divided into three markets, under the Directives for Listing Securities on the Amman Stock Exchange/Securities Market for the year 2000.

May 22, 2000	The ASE issues the Public Shareholding Companies Guide on a laser CD.
May 22, 2000	ASE issues its first annual report (for 1999).
March 30, 2000	The ASE holds its first General Meeting Assembly.
March 26, 2000	The ASE launches the electronic trading system, starting with 10 companies, and the Trading Rules of Securities (electronic trading) begin.
February 10, 2000	ASE issues a new monthly statistical bulletin.
January 1, 2000	The ASE unveils the Instruction on Fees of services.
November 14, 1999	ASE participates in the 19 <sup>th</sup> general assembly meeting of the Union of Arab Stock Exchanges and Securities Commissions.
November 2, 1999	His Majesty King Abdullah, II, lays down the cornerstone for the new building to house the capital market institutions, including the ASE.
October 19, 1999	The technical committee between the Kuwait Stock Exchange and the ASE meet in Amman.
October 15, 1999	The ASE reveals the Code of Ethics that will govern the stock exchange. These rules establish the standards of professional conduct for all ASE members.
October 15, 1999	The ASE introduces their Disclosure Directives, stating what information the ASE must disclose and what information is considered confidential.
October 5, 1999	The ASE hosts the 5 <sup>th</sup> annual meeting of the general assembly of the Federation of Euro-Asian Stock Exchanges.
September 1, 1999	The ASE establishes its Fees and Commissions regulations.
August 31, 1999	Started issuing the ASE Newsletter.
April 4, 1999	Joins the Union of Arab Stock Exchanges and Securities Commissions.
March 3, 1999	The Amman Stock Exchange (ASE) is established as a private non-profit institution with administrative and financial autonomy. It is the sole party authorized to be the organization for trading securities in the Hashemite Kingdom of Jordan. ASE also joins the membership of the Federation of Euro-Asian Stock Exchanges and FIBV.

## **Amman Stock Exchange** **(ASE)**

The Amman Stock Exchange (ASE) was established March 11, 1999, as a result of the restructuring process of the Jordan Capital Market. The three institutions established include the Amman Stock Exchange, Jordan Securities Commission (JSC) and the Securities Depository Center (SDC).

The ASE, a private sector, non-profit organization with legal and financial independence, is in charge of running the market. A similar private sector, non-profit organization, the SDC, oversees settlements and maintenance of ownership records. Regulation is in the hands of a government body, the JSC, which has clearly defined powers to develop and monitor the market. The ASE observes international standards of fair practice in the orderly transaction conduct of the market.

The Amman Stock Exchange has three separate tiers of stocks that are traded. The three-tier system was established, so that an investor can readily know the status of the company he wants to invest in and the requirements it has fulfilled. It also promotes the transparency of the ASE and the companies traded on the stock exchange.

There are certain strict requirements that must be met before a company can be listed in the first tier of the ASE. Those requirements include the company must have made a profit for at least two out of the three years before being listed. They also must have given out cash dividends or bonus shares at least once over the last three years. In addition, investors must be able to easily sell their stocks through the stock exchange. Currently there are 68 companies listed in the first tier of the ASE.

There is an intermediary tier which lists companies on the ASE, however they have yet to fill the requirements needed to move up to the first tier. Currently there are 95 companies in the second tier.

The third tier allows investors can also invest in unlisted companies on the ASE. These are companies that are waiting to fulfill the requirements to become a listed company. Currently there are 28 unlisted companies traded on the ASE.

Stocks are electronically traded on the ASE. With a capitalization of \$5 billion, the ASE is one of the largest stock markets in the region that permits foreign investment. The exchange currently has 590,000 shareholders. 52% of the shares are held by Jordanian corporate and individual investors, foreign investors account for 42% of share ownership and the government through the Jordan Investment Corporation holds 6%.

**February 2001**

March 12, 2001

**Ms. Elfarhan**

Jordan University

Via Facsimile: 535-5510

Ms. Elfarhan;

I am writing to follow up on our phone conversation from two weeks ago. Mr. Samir Jaradat, CEO of the Securities Depository Center (SDC), is interested in speaking to students from the economic department of Jordan University (or all students from the University, which ever you feel is appropriate.) Although, Mr. Jaradat is currently the head of the SDC, he has worked in all areas of Jordan's Capital Market and can speak knowledgeably about his past and current experiences. In addition, Mr. Jaradat recently worked on a report that was presented to H.M. King Abdullah, II, suggested changes and improvements that needed to be made to energize Jordan's economy. I feel that this would be an excellent opportunity to augment the students' economic education. Mr. Jaradat is interested in speaking about Jordan's Capital Market and answering any questions the students may have. I am attaching a copy of Mr. Jaradat's biography so that you will have a better understanding of his background.

Thank you for your time and consideration. I will call you early next week to follow up on this letter, but if you have any questions before then, please feel free to reach me at 079-815-227.

Sincerely,

Deirdre Kline  
Consultant for the AMIR Program  
Capital Markets

For Release: Feb. 24, 2001

## SDC's Jaradat Meets with Leading Software Vendors

The CEO of the Security Depository Center, Samir Jaradat, met with the Jordan's leading software vendors today, Feb. 24, 2001. They discussed the changing role that the software companies will play in the future of the SDC. The meeting was arranged to establish that the software vendors, that provide computer programs for companies that trade on the Stock Exchange, are aware of the modifications that they will need to make to be able to work with the Depository.

"As the SDC evolves, it is imperative that we make sure the software companies also evolve and are able to work with us to ensure an accurate and safe environment for everyone who trades on the Amman Stock Exchange," stated Jaradat.

The SDC is a private, non-profit institution that oversees the settlement and transfer of the ownership of securities. The main functions of the SDC are the registration of securities and transfer of ownership. During the first year of operation, the SDC has simplified the processes of transferring the ownership of stocks. This procedure has established a reputation, both internationally and locally, as a safe and effective method for trading stocks. As well as, created public and investor confidence in Jordan's capital market. This restructuring process has ensured the Jordanian clearance and settlement system operates with maximum efficiency and minimum risk.

## **Securities Depository Center** **(SDC)**

The Securities Depository Center (SDC) was established May 1999, as a result of the restructuring process of the Jordan Capital Market. The three institutions established include the Securities Depository Center, the Amman Stock Exchange (ASE) and the Jordan Securities Commission (JSC).

The SDC is a private, non-profit institution that oversees the settlement and transfer of the ownership of securities. The ASE, also a private sector organization, is in charge of running the market. Regulation is in the hands of a governing body, the JSC, which has clearly defined powers to develop and monitor the market.

The main functions of the SDC are the registration of securities and transfer of ownership. The registration includes client identification to ensure accurate records are maintained. In addition, electronic deeds are issued. These deeds contain all of the details regarding the transactions. The SDC is also in charge of transferring the ownership of stocks in the case of inheritance or if there is an exchange of stocks between family members.

At the end of the trading day, the SDC receives an electronic daily report from the ASE with all of the transactions that took place during that day. Once the file is obtained by the Securities Depository Center, they will issue the electronic deed in the purchaser's name. The deed contains the name of the issuer, the name of the buyer, their assigned numbers and the transactions that occurred. The SDC will then, deliver the contract to the issuers to ensure that the ownership is authentic.

During the first year of operation, the SDC has simplified the processes of transferring the ownership of stocks. This procedure has established a reputation, both internationally and locally, as a safe and effective method for trading stocks. As well as, created public and investor confidence in Jordan's capital market. This restructuring process has ensured the Jordanian clearance and settlement system operates with maximum efficiency and minimum risk.

A seven-member Board of Directors oversees the SDC. Those board members represent public shareholding companies and the financial companies that are licensed financial intermediaries.

**February 2001**

## IT Community Acquires Information on Business Plans

Int@j, in cooperation the USAID funded AMIR Program, held a two day workshop for members of Jordan's IT community. The seminar focused on how to build business plans for IT companies and how the plans will help them list the companies on the new regional IT Board.

The workshop held on the heels of the regional IT Board meeting last December, concluded today, Wednesday, Feb. 26, 2001. Mr. Russell Diehl, a consultant to the AMIR Program, addressed the process of building a business model and taking a company public. Mr. Diehl also discussed how the new regional IT Board will work and how companies can benefit from it. In addition, the workshop emphasized the importance of structuring a business plan to attract potential investors, to market products and services and to outline the overall strategy of financial growth in the future.

This session was part of [Int@j](#) and the AMIR Programs continued effort to further educate IT companies on the needs of investors, by showing them how to create a professional business plan. Business plans are designed by companies to disclose information to potential investors.

"International investment in the IT sector continues to grow. By preparing proper business plans, Jordanian entrepreneurs and IT companies will be able to demonstrate their ability to address business solutions to both the local and international investor," stated the AMIR Program consultant.

"We hope this will serve in attracting sustainable investments, ones that can further enhance the development of the IT sector and meet the challenges set through the REACH Initiative," stated [Int@J](#) representative.

The regional IT Board is established to help IT companies achieve listing requirements, attract venture capital funding and target easier exit strategies. The board plans to continue to develop gradually in a defined process that is expected to take one year, during which Int@j and the AMIR Program will continue to assist in providing IT companies with guidance on the development of their businesses to further qualifying for the Board.

***Jordan Securities Commission Public Awareness Campaign***

We at the Jordan Securities Commission have worked very hard to create a fair and just Capital Market for Jordan. As we celebrate today, the second anniversary of the Amman Stock Exchange and later this year the second anniversary of the Security Depository Center, I feel that we are on the right track to creating a Capital Market that is compliant with international standards. As we continue down the road of improvement I want to focus on Jordan's most important asset, its citizens. We are the ones who can make the difference and can make Jordan stronger. We at the Capital Markets will now focus on disclosure and transparency. In order to do that, we want the Jordanian public to be as educated as possible on what we do and how we can help you. Starting today in the business section of this paper, we will run a series of advertisements that we hope will do just that.

Jordan's Capital Market has grown and taken shape to play a role in the global marketplace. The knowledge that we, as Jordanians, have about our financial community can affect our status in the global arena. Jordan has so many successful and imaginative entrepreneurs; we want them to list their companies on the Amman Stock Exchange. If we do not list our own companies on the Stock Exchange, how can we attract others? For the same reason it is important that we, as investors, understand the importance of our Capital Market, by showing that we believe in it will also help attract the international investor. It is not enough to get on track within Jordan, it is important that we always keep globalization in the vision of our fiscal future.

Like in almost any area of life, the more you know the more you can control, your future, your happiness and in this case, your money.

We hope that this series of advertisements will be the first step to creating an open and honest communication between you and the members of Jordan's Capital Market. Know that our doors are always open to answer any questions or assist you in any way that we can. You can always contact any office or go online to the JSC's website ([www.jsc.gov.jo](http://www.jsc.gov.jo)); the ASE's website ([www.ase.com.jo](http://www.ase.com.jo)) or the SDC's website ([www.sdc.com.jo](http://www.sdc.com.jo)) to resolve any inquiry.

The Jordan Securities Commission (JSC) and the USAID-funded AMIR Program have enjoyed a successful partnership during the past 18 months and worked together to improve Jordan's capital market.

### **Accomplishments**

- The AMIR Program has spent \$4.6 million on IT equipment and \$9 million on technical support. This includes over 100 computers, 33 printers and 6 servers.
- Restructured the Amman Stock Exchange's market configuration to include a first, second and third market to entice IT companies to create IPOs.
- Jordan, Bahrain and Dubai established a regional IT Board. This would create a common stock market between the three countries that would be more conducive to IT, media and technological stocks. [Int@J](mailto:Int@J) has supported this and NASDAQ has expressed a tentative interest.
- Websites have also been created for the JSC, ASE and SDC providing a direct link with anyone wanting more information about Jordan's Capital Market, including a real time ticker on the Stock Exchange's site.
- The JSC and AMIR Program have sponsored many seminars including one to educate IT companies on initial public offerings and the US Securities and Exchange Commission trained the JSC.
- Created business plans for both the ASE and the SDC were developed.
- The launch of electronic trading for Stock Exchange and the introduction of Securities Depository Center's (SDC) global program that will help instigate the depository, clearing and settlement process of all stocks.
- The JSC and AMIR Program also began a public awareness campaign, which established and trained public relations officers at JSC, SDC and ASE to work with the media. Brochures were also created to help explain the complicated financial material.
- Created Investor Quizzes that air on Jordan TV news once a week. This is an entertaining way to give information to Jordanians about the capital market.
- Completion of the Broker Certification Training Program and U.S.A. Chartered Financial Analyst (CFA) Program. This is the first step in creating a rigorous training and certification program that corresponds with international standards.
- Assisted in writing the Bankruptcy Law and Movable Property (Leasing) Laws.

- An online market information dissemination system was provided to all 28-broker offices in Jordan, as well as distributed to the ASE.
- Assisted with the JSC on the new amendments to the Securities Law of 1997.
- Organize the IOSCO Emerging Markets Meeting, the first time in the Middle East, indicating the importance of Jordan in the global market.
- Assisted the ASE and SDC in the participation at the NASDAQ Middle East Conference, linking global markets.

### **Future Goals**

- In October 2001 the AMIR Program and the JSC will host an International Investors Conference. It would bring investors from around the world to Jordan and highlight the progress of our Capital Market.
- The launch of a fast paced, educational television show on Jordan's economy. It is targeted to Jordanians under the age of 40.
- Creation of a high tech investor's gallery in the new building that houses the Capital Market offices. It will include a video wall and real time ticker.
- The completion of the SDC's automated settlement, clearing and development that will meet and exceed international standards.
- The implementation of the Regional IT Board, making it easier for technological stocks to be traded.

## ***Jordan TV's “Economy Show”***

**Questions for JTV Quiz DONE**

1. Of the 3 markets within the ASE which has the strictest requirements?  
A) *First*  
B) Second  
C) Third
2. The ASE  
A) is a private sector organization  
B) has legal and financial autonomy  
C) is in charge of running the market  
D) *All the Above*
3. Who holds the largest % of stocks on the ASE? **TIMELY**  
A) *Jordanian Corporate & individual investors*  
B) Foreign Investors  
C) The Jordanian Government
4. How many companies are traded on the ASE? **TIMELY**  
A) 1006  
B) 548  
C) *191*  
D) 61
5. What are functions of the SDC?  
A) Provides Settlement Services for its users  
B) Maintains a central registry  
C) Registration of securities  
D) *All the above*
6. What are eligible for deposit at the SDC?  
A) Securities  
B) Shares  
C) Bonds  
D) *All the Above*
7. The SDC  
A) is a private entity  
B) has administrative and financial autonomy  
C) oversees settlement and maintenance of records  
D) *All the Above*
8. The JSC  
A) is affiliated with the Prime Minister  
B) is legal successor to the Amman Financial Market  
C) Oversees the SDC and ASE  
D) *All the Above*
9. Who are members of the SDC?  
A) Public Shareholding Companies  
B) Licensed Sub-Custodians  
C) Financial Brokers  
D) *All the Above*

10. The JSC oversees
- A) the Amman Stock Exchange
  - B) the Securities Depository Center
  - C) *All of the Above*
  - D) None of the Above

### **Questions For Consideration**

1. The JSC regulates and monitors the issuance of
  - A) Stocks
  - B) Bonds
  - C) Investment Units
  - D) *All the Above*
2. All brokers must
  - A) be the age of 35
  - B) *obtain a license from the JSC*
  - C) have made JD 5000
  - D) All the above
3. How many members are on the SDC's Board of Directors?
  - A) 12
  - B) 7
  - C) 1
  - D) 23
4. How many shareholders are on the ASE?
  - A) 100,000
  - B) 230,000
  - C) *540,000*
  - D) 610,000
5. Which of these entities does the government run?
  - A) ASE
  - B) *JSC*
  - C) SDC
  - D) All the above
6. What percentage of the ASE consists of foreign investment?
  - A) About 15%
  - B) *About 40%*
  - C) About 65%
  - D) About 80%
7. When foreigners invest in the ASE they need to pay
  - A) tax on capital gain
  - B) *10% tax on cash dividends*
  - C) Entrance tax
  - D) All of the Above
8. Foreign and non Jordanian securities cannot be listed on the ASE
  - A) true
  - B) *false*

9. The index on the ASE is an indicator of
  - A) *price movement*
  - B) trading value
  - C) shares traded
  - D) All the above
10. Listed companies are obliged to provide the ASE with their annual report
  - A) *true*
  - B) false
11. Electronic trading was launched in
  - A) March 1999
  - B) December 1999
  - C) *March 2000*
  - D) June 2000
12. The ASE was established in
  - A) January 1999
  - B) *March 1999*
  - C) March 2000
  - D) April 2000
13. Stock Exchange members consist of
  - A) *financial service companies licensed to perform financial brokerage activities*
  - B) shareholding companies
  - C) bank and finance companies
  - D) all the above
14. Licensing brokerage firms are the responsibility of
  - A) *JSC*
  - B) ASE
  - C) SDC
  - D) All the above

## ***Writing Workshop Plan for Public Relations and Research***

## **Plan for a Writing Workshop for Public Relations and Research**

### **Topics to Be Discussed**

1. Writing an Editorial. It would examine the best times to write an editorial to get your message out to the public. We would also show how to write an effective editorial that gets your point across to those reading it. In addition, this section would examine how to write an editorial that will get printed in the paper. It is so important that you write in the style of the newspaper so that they will actually publish your article.
2. Writing a Press Release. We have been working on the basics of writing a press release, so this would take us to the next level. This workshop would focus on writing a release that is in-depth and comprehensive without overwhelming the reader. This is important when you are trying to get a publication to write a comprehensive piece on the topic you are pitching.
3. Writing a Public Relations Plan. At the beginning of each public relations campaign is a plan, something that maps out what the press officer hopes to accomplish and his/her ideas for the campaign. This is a way for the public relations officer to focus on the best ways to get their message out to the audience that they are targeting.
4. TV Writing vs. Print Writing. Television and print media have vastly different styles of writing. It is important that you know how to write for the medium you are targeting. Television's style uses shorter words and gets to the point immediately, opposed to print which allows you more time to build your story.

### **Contents**

We would use the contents of work that each entity has already produced, as well as what they are working on at the time of the workshop. Some of the materials that have already been created include:

- The editorial that we are writing for Dr. Saket to put in the papers about the Jordan Securities Commission's commitment to educating Jordanians on their capital market.
- The press release on the Amman Stock Exchange's 2<sup>nd</sup> Anniversary
- The press release on the Securities Depository Center's CEO meeting with software vendors
- The Amman Stock Exchange's 2<sup>nd</sup> Anniversary Public Relations Plan
- The story ideas given to JTV for the new "Economy Show"

**Timing**

The workshop would consist of 2 half-day seminars. The first seminar would look at writing an editorial and writing a press release and when it is the best time to do which. The second seminar would talk about how to write a public relations plan and writing for television versus writing for print.

After the workshop I would take a half-day with each institution press officer to go over in more detail any topic that was discussed at the workshop.